

NETWORK



Tempe
Community
Council

A publication of Tempe Community Council.
Connecting those in need with those who care.

WINTER 2006

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Event Spotlight: "The Cinderella Affair" Coming soon...



Ladies from the Needleweilders Club are on hand to do alterations for young women after selecting that perfect prom dress at The Cinderella Affair "Boutique".

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Building Wealth One Step at a Time

Benjamin Franklin (1706 - 1790), the son of a Boston soap maker, was famous for clever quotations. He is noted for saying such things as, "a penny saved is a penny earned" and "if you would be wealthy, think of saving as well as getting."



While no one can argue with the wisdom of Franklin's words, often we find that the getting is much easier than the saving. As we have discussed in previous issues of *Network* (for example, the Spring 2005 issue, "What Does it Take to Make Ends Meet?") a three-member, single-parent family living in the Phoenix Metro Area requires an annual income of \$40,055 just to meet very basic needs. In other words, this income leaves no surplus for saving...for a house, school or other assets that can build wealth and a better future. As stated in a recent Ford Foundation report, *Building Assets To Reduce Poverty and Injustice*, "An asset offers a way out of poverty because it is a 'stock' that endures and can be used in many ways to generate economic, psychological, and social benefits that foster resilience and social mobility."

Employment or income maintenance, through temporary welfare assistance, is an important first line of defense against poverty; however, over the long term, escaping poverty requires more than just having an income.

If a family is living on the edge of poverty, without a cushion in the event of a severe illness, loss of a job, or other unforeseen occurrence, it is all too easy to fall back into a cycle of poverty. For someone living paycheck to paycheck, accumulating enough money to make a down payment on a house may seem like an impossible dream.

Building Wealth One Step at a Time

But, it is possible, and many people right here in Tempe have taken advantage of opportunities available through IDAs (Individual Development Accounts) to make their dreams come true. IDAs are one of the tools that have gained favor as a poverty-ending strategy in the post welfare reform era.

What are IDAs?

Simply put, IDAs are matched savings accounts for low income individuals and families. Typically, IDAs have restrictions on their use; they may be used only for the purpose of asset building, such as, purchasing a home, starting a business or pursuing a post-secondary degree or training.

Participants make regular deposits to their IDA, which are then matched, usually through a combination of public and private funding.

The IDA concept is relatively new, proposed initially by Dr. Michael Sherraden in his 1991 book, *Assets and the Poor: A New American Welfare Policy*. In the 1996 federal welfare reform legislation, states were given the option of including IDAs in their reform plans. Then, in 1998, Congress passed the Assets for Independence Act, a five-year \$125 million IDA demonstration project. With this federal support, the IDA concept has taken hold as a key poverty-fighting strategy.

The Administration for Children and Families, within the Department of Health and Human Services, estimates that there are over 500 IDA programs, administering over 20,000 IDA account holders in the United States today.

Although the general concept is the same, the many IDA programs vary in the specifics (e.g. in the allowable assets that may be purchased with the savings, match ratios and other requirements).

What works for Tempe?

Newtown CDC administers an IDA program here in Tempe. IDAs through Newtown are limited for use toward the purchase of a home. Account holders earn a 3-to-1 match, up to a maximum of \$15,000, on the amount they save. In other words, a savings of \$5,000 will be matched at a level of \$15,000, adding up to a total of \$20,000 in the account to use for a down payment on the purchase of a home.

The Newtown IDA participant must follow these program requirements:

- Participants must enroll in Newtown's First Time Homebuyer Program and then open a "no fee" savings account with a participating financial institution.
- Money saved must be from earned income and participants are required to save for a minimum of 10 months.
- Participants must complete an approved homebuyer education class.
- When the participant is ready to purchase a home the match funds are paid directly into escrow.
- Match funds are a forgivable loan - live in the home for five years and the loan is forgiven.

Since Newtown's IDA program began in 2002, 40 account holders have accumulated \$160,000 in savings. The program continues to gain momentum with 35 total home purchases in Tempe resulting from IDA savings plus \$543,000 in matching funds. Twenty-three of those homes were purchased in 2005.

"An asset offers a way out of poverty because it is a 'stock' that endures and can be used in many ways to generate economic, psychological, and social benefits that foster resilience and social mobility."

From Building Assets To Reduce Poverty and Injustice, The Ford Foundation

For additional information about IDAs and asset development, go to www.cfed.org or for details on the IDA program here in Tempe, visit Newtown's website at www.newtowncdc.org.

Building Wealth One Step at a Time

Newtown IDA Success Story



New Tempe homeowners Rusty and Carianne Crandell would not have been able to afford a home without the help of Newtown's IDA program.

Two of those new homeowners are Rusty and Carianne Crandell, a young married couple in their mid-20's. They are currently living primarily on Carianne's salary as a kindergarten teacher while Rusty finishes his law degree at ASU.

They dreamed of owning a home in Tempe, not far from Carianne's family, but felt it

was all but impossible in their present financial situation. Homeownership seemed a long way in the future.

Rusty and Carianne are bright, hard-working individuals who want to contribute to the community in which they live. Two years ago, in his limited spare time, Rusty became a volunteer tax preparer with the EITC (Earned Income Tax Credit) Initiative. He learned about this opportunity through their church. This decision to help other working poor individuals receive the tax refund which they are due turned out to be quite fortuitous for the Crandells themselves. While volunteering, Rusty overheard Newtown Homeownership Coach Jennifer Quillin talking to clients about the IDA program. Realizing that he and Carianne would likely

qualify, he felt this was an opportunity they could not pass up. "There is no downside," Rusty said, "In addition to the matched savings, the Newtown homebuyer education program walks you through the whole process, so you never feel exploited or intimidated in any way." Within 13 months of opening their IDA account, the Crandells had moved into their new Tempe home. They like the central location of Tempe, as well as their proximity to Carianne's family, and both look forward to putting down roots here.

Thanks to Carianne and Rusty, and their positive experience working with Newtown, others like them are now experiencing the satisfaction and security that comes with homeownership. The Crandells have recommended two other families to the program, who are now Tempe homeowners as well.

With the cost of homes in the Valley, and in Tempe in particular, increasing well beyond the increase in wages, many are finding themselves caught in the same situation that Rusty and Carianne were in. Teachers, social workers, service professionals, and even our police and firefighters—the solidly middle class foundation of our community—are finding it increasingly difficult to afford a home. With only 51 percent of homes owner-occupied, Tempe already has a disproportionately high rate of rentals. This has potentially negative consequences when families are not truly invested in the community. By making it possible for people like Rusty, Carianne, and many other families to purchase homes in Tempe, build assets and develop financial security, Newtown's IDA program is helping to strengthen Tempe's families as well as the long-term health of the community.

BOTTOM LINE

It seems obvious to suggest that increased assets are good for individuals and families. Who wouldn't want to own their own home and invest in their future, whether in the form of education, a business or property? Owning assets increases feelings of control, self-esteem and life satisfaction. Michael Sheraden writes, "Assets are hope in concrete form." What is good for individuals and families is good for the community and all of Tempe.

MESSAGE FROM THE EXECUTIVE DIRECTOR



As I've stated before in this space, the connections and collaborations between us are our strength as a community. The Earned Income Tax Credit (EITC) Initiative has been an excellent example of the power of partnerships. This initiative was created in 2002 as a 3-year pilot project to increase awareness of the EITC and the number of working individuals and families in our community who claim it. This initiative is a partnership among TCC, the City of Tempe, the Town of Guadalupe and the IRS. Working together, over \$2.4 million in additional EITC credits (over the 2001 base year) have been brought back into our community for the families who need them most.

Last year, the final year of the pilot project, the focus of our efforts changed somewhat. With many more low-income families claiming the EITC and receiving substantial tax refunds (some as high as \$4,000), the initiative partners realized the need for a financial education component of the project. For many families and individuals, this refund represents the first time that many could even consider the possibility of saving for a home or additional education. As shown in this issue's Special Report, *Building Wealth One Step at a Time*, through the Newtown IDA program owning a home here in Tempe is still within reach, despite news to the contrary regarding Tempe's sky-rocketing housing prices.

It just takes creativity, communication and community to create opportunity. This year, with the addition of Newtown as an EITC coalition partner, we've added a key element for helping people attain long-term self-sufficiency.

Sincerely yours,

Katherine Hanley

EITC Initiative

Each year thousands of low-income families miss the opportunity to receive thousands of dollars in tax credits because they do not file their state and federal income taxes.

Volunteer tax-preparers will be available to provide free tax preparation and electronic filing for eligible families and individuals at several Tempe locations.

Households earning less than \$35,263 (\$37,263 married filing jointly) with two or more qualifying children and families earning less than \$31,030 (\$33,030 married filing jointly) with one qualifying child are encouraged to apply. Individuals (ages 25 but under 65 at the end of the year) who make less than \$11,750 with no qualifying

children, may also be eligible. These credits can help recipients get out from under debt, make long-deferred purchases of furniture and household items, or save to pay for college tuition or even a new home.

Free tax preparation for eligible families and individuals is available at the following locations:

Tempe Schools Credit Union

2800 South Mill Avenue, Tempe

Escalante Multigenerational Center

2150 East Orange St., Tempe

Guadalupe Youth/Young Adults Program Center

9050 S. Avenida del Yaqui, Guadalupe

Please call Community Information and Referral at 602-263-8856 or visit www.cir.org for days, times and directions.

FOND FAREWELLS...

Shana Ellis Moves On To Explore New Horizons



Shana Ellis, long-serving TCC Assistant Director

After 20 years as a staff member of Tempe Community Council, Shana Ellis is ready for the next stages of her life's work.

Retiring on February 28 from her position as TCC Assistant Director, Shana began her career with the organization as a high school intern and steadily worked her way up from there. She even earned two

degrees along the way, including a master's degree in public administration. Many find it surprising that this youthful lady is the longest serving TCC staff member and has literally seen them all "come and go" at TCC since 1985.

Working at TCC is not like bolting on the same part at an auto factory year after year. It is more like spending time putting on the tires, moving on up to install other parts, then ultimately designing new models and test driving them. A typical day for Shana at TCC might start off in the early morning, in jeans, to load up a juke box to be raffled off to benefit the Open Horizons child care program; after a quick change of clothes, she would return to the office to staff an Agency Review panel deliberating over funding of nonprofits by the City of

Tempe, then she's off to a lunch involving one of her many community activities such as the Kiwanis Club of Tempe, then it's back to the office again to put out administrative fires and finally the day might end after attending a City Council meeting until 9 or 10 pm.

Speaking of Open Horizons, Shana has been through it all with that program since 1989, helping to start it, keep it going through several crises and also enrolling her own two children in the program. She became adept at raising money for the program, including soliciting raffle prizes from local shops for the annual Ace Hardware fundraiser.

She also worked to launch and oversee other TCC projects, such as Shared Living Village for the Elderly, Retired Senior Volunteer Program and was primary staff for the Tempe Task Force on Aging (yes, she became our resident expert on aging in the process). She also survived the "great flood" and a bank robbery when the TCC offices were located over a savings and loan at the site of the present City of Tempe 525 building on Mill Avenue. Her costumes for Halloween are legendary; she was a great Carmen Miranda!

Hard working and well-organized, Shana loves nothing more than getting things done in Tempe. While we can scarcely imagine life without her at TCC, we can hardly wait to see what she does next!

Nancy Winchip Accepts Yuma YMCA Executive Director Position

Nancy Winchip was hired on a three-month interim basis to see us through a transition after the retirement of long-time Shared Living Village Director Maryanne Gibbs. Much to our delight and good fortune, three months turned into three years of dedicated service to the program.

Nancy was a great friend to all of the Shared Living Village residents, and the program thrived under her direction.

Nancy came to us with over 20 years of service with the YMCA, in Iowa, Wisconsin, and here in Arizona. She recently returned to the "Y" as executive director of the Yuma, Arizona YMCA. Although we, and the residents of Shared Living, will miss her, we know that her experience and talents in program development and administration will be a great asset to the people of Yuma. We wish her great success!



Nancy Winchip, Former Shared Living Village Director

COMMUNITIES IN SCHOOLS

*Calling all snap-happy people...
Showcase your photographic skills by submitting a photo
in the second annual*

C.L.I.C.K
(Children Living in Caring Communities)

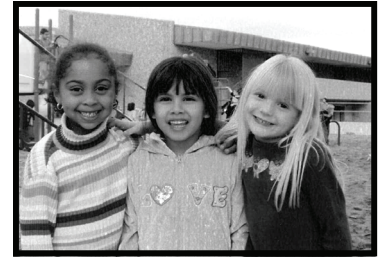
Photo Contest

Communities for Kids invites all Tempe residents to participate in the second annual photo contest! All ages are welcome to participate! Please submit **one** photograph illustrating "Why Tempe is one of the 100 Best Communities for Young People" (based on a recent national award presented to Tempe). Winners will be eligible for a variety of great prizes and community recognition.

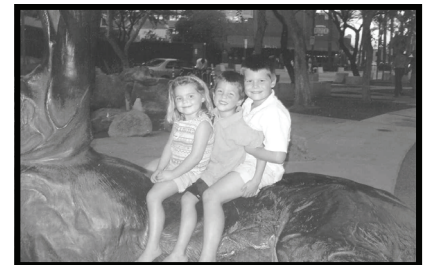
Submit all photo entries by April 3rd to the address listed below. Photos may be color, black and white, 5"x7" or smaller, and/or a scanned .jpeg. Photographer's name, age, address, and phone number must be included with the photo. Photos cannot be returned and become the property of Tempe Community Council who reserves the right to use photographs for promotional purposes.

Mail your submissions to:
Communities for Kids c/o
Tempe Community Council
34 East 7th Street, Building A
Tempe, AZ 85281
Or E-mail to:
Kelly_Straw@tempe.gov or
Lynette_Stonefeld@tempe.gov

Last Year's Winning Photos



1st Place, photo taken by Rick Warren



2nd Place, photo taken by Monica Griffin



*3rd Place,
photo taken
by Joyce
Clinton*

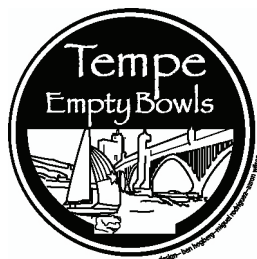
"Don't Wait to Educate"



Tempe's Communities For Kids Initiative is offering parents of preschool children a free educational series just for them. The series, "Don't Wait to Educate," provides information for parents about early child development and strategies for ensuring their children are ready to start kindergarten. So far, twenty-five families have completed the eight-week series. Three more series will be held in the spring of 2006 at Nevitt and Arredondo Elementary Schools in the Tempe Elementary District and Kyrene de los Ninos in the Kyrene District. Parents learn about safety, brain development, nutrition, discipline and many other topics. If you know someone who may be interested in participating, contact Kelly Straw at (480) 858-2467.

EVENTS IN SERVICE TO OTHERS...

The Tempe Empty Bowls Event Raises Awareness of Hunger Issues.



More than \$11,000 was raised over two days for United Food Bank's Kids' Café Program. With this support, 300 Tempe children receive a nutritious meal or snack each day at the various Kids' Café host sites.

The fifth annual event was held Friday, February 24th at 6th Street Park in Downtown Tempe and Saturday, February 25th at Tempe Town Lake. Saturday's event was held in conjunction with the "Target Day of Music." Hand-crafted bowls, made by local artists and by Tempe area high school and middle school students, were available for a donation of ten dollars. Whole Foods Market provided a simple meal (symbolic of the calorie intake that must sustain many in the world for an entire day).

Friday's event was extra special, as students from Scales Elementary School and McKemy Middle School attended, bringing with them their own hand-crafted bowls to donate to the event. While there, they enjoyed the music of the ASU Pan Devils and learned about the causes of and potential solutions to hunger in our country and community.

The volunteer planning committee receives staff support from Tempe Community Council and generous donations from the City of Tempe, Whole Foods Market, Marjon Ceramics, Motorola and SRP.

The Cinderella Affair Makes Dreams Come True

The *Cinderella Affair* gives every high school girl the opportunity to feel like a princess. A project of Tempe Community Council, with assistance from the East Valley Women's League, *The Cinderella Affair* makes attending prom affordable by distributing new and gently used formal wear at an annual boutique where junior and senior high school girls may select a dress and accessories free of charge. Prom dresses and accessories are collected and stored throughout the year.

The 4th Annual *Cinderella Affair "Boutique"* will take place on March 31st, 2006 for students of the Tempe Union High School District and on April 1, 2006 for all Valley-area high school junior and senior girls. The event will be held at the Pyle Adult Recreation Center (655 E. Southern Avenue, Tempe). Female students may attend this event and select one dress and accessories free of charge. Thanks to *Mr. Formal*, with locations Valley-wide, a number of male students will be assisted as well by contacting Tempe Community Council with a referral from their school.



Tempe Ace Hardware Raises Record Amount for Open Horizons

The 9th Annual Tempe Ace Hardware "Tooling Up for the Holidays" benefit, held on December 6, 2005, was a huge success brought in \$8,268 to support Open Horizons Child and Family Development Center in Tempe. With proceeds from this event, and other contributions, this program will be able to continue providing these needed support services to some of the District's most vulnerable teens, helping them to stay in school, receive their diplomas, and create a positive future for themselves, as well as the next generation.

We would like to express our deepest gratitude to Tempe Ace Hardware owner **Michael Brackin** for hosting this event. Mr. Brackin recently became the new owner of Tempe Ace Hardware and agreed to continue this holiday tradition initiated by long-time previous owner and Open Horizons supporter **Steve Herrgesell** of Stephen's Ace Hardware.

WINTER 2006 CALENDAR

JANUARY	FEBRUARY	MARCH
2 New Year's Day Observed (TCC Closed) 4 TCC Board Meeting 16 MLK Day Diversity Awards Brunch (TCC Closed) 23-27 Agency Review Agency Interviews 31 TCC Executive Committee Meeting 25 East Valley Resource Coalition (EVRC) Meeting	1 TCC Board Meeting 4 Regional Unity Walk and Diversity Festival 15 Agency Review, Final Meeting 20 Presidents Day (TCC Closed) 21 TCC Executive Committee Meeting 22 East Valley Resource Coalition (EVRC) Meeting 24 Tempe Empty Bowls (6th Street Park) 25 Tempe Empty Bowls (Tempe Town Lake)	1 TCC Board Meeting 4 Tempe Cares 22 East Valley Resource Coalition (EVRC) Meeting 23 Agency Review Recommendations Presented to City Council for approval. 28 TCC Executive Committee Meeting 31 Caesar Chavez Day The Cinderella Affair "Boutique"

For confirmation and further details of meetings and events listed above, please call (480) 858-2300



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